

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 20013
[REDACTED])	
)	DECISION
Petitioners.)	
_____)	

On January 17, 2007, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayers), proposing additional individual income tax and interest in the amount of \$240 for the tax year 2004.

The taxpayers filed a timely appeal and petition for redetermination. They did not request a conference. The Tax Commission has reviewed the file, is advised of its contents, and hereby issues its decision based thereon.

Idaho Code § 63-3002 provides:

Declaration of intent. It is the intent of the legislature by the adoption of this act, insofar as possible to make the provisions of the Idaho act identical to the provisions of the Federal Internal Revenue Code relating to the measurement of taxable income, to the end that the taxable income reported each taxable year by a taxpayer to the internal revenue service shall be the identical sum reported to this state, subject only to modifications contained in the Idaho law; . . .

The intent of the Idaho Legislature is to follow the federal determination of income subject only to modifications contained in Idaho law. [Redacted]

[Redacted] An audit of the taxpayers' Idaho individual income tax return determined the taxpayers received a larger refund of Idaho income tax than they were entitled to receive. The Bureau issued a NODD to the taxpayers advising them of Idaho income tax and interest due as a result of the changes.

In response to the deficiency notice, [Redacted] wrote a note saying they disagreed with the determination. She enclosed a copy of the original Idaho resident individual income tax return and a copy of a letter from the Tax Commission dated April 15, 2005, explaining changes the Tax Commission made to the original return.

The Bureau sent the taxpayers a letter acknowledging their protest. In the letter, the Bureau explained that after the error in the original return was corrected and the refund was sent to the taxpayers, the Bureau received notice [Redacted] that a different amount of income had been reported [Redacted].

An audit of the return was started at that time. The audit confirmed the taxpayers lived and worked in Idaho for part of 2004 and in New Mexico for the rest of the year. They filed a 2004 New Mexico part-year resident income tax return and should have filed the same for Idaho.

The calculation of Idaho income tax due on the Idaho portion of income resulted in a reduction in the amount of refund the taxpayers should have received from Idaho. The NODD asked that \$215 of the \$464 refund they received from the State of Idaho be repaid along with interest.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Comm'n, 110 Idaho 572 (Ct. App. 1986). Having presented no further information in support of their argument, the taxpayers have failed to meet their burden of proving error on the part of the deficiency determination. Albertson's, Inc. v.

State, Dept. of Revenue, 106 Idaho 810 (1984).

The taxpayers have provided no evidence that the Bureau's calculations based on existing records were in error.

WHEREFORE, the Notice of Deficiency Determination dated January 17, 2007, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayers pay the following additional tax and interest for 2004:

<u>TAX</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$215	\$30	\$245

Interest has been computed through July 1, 2007.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the taxpayers' right to appeal this decision is enclosed with this decision.

DATED this ____ day of _____, 2007.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have on this ____ day of _____, 2007, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

Receipt No.
